



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
SOUTHERN DIVISION

1938 A. A. A. Farm Program

Issued March 1938

HOW THE A. A. A. FARM PROGRAM WILL OPERATE IN 1938

As it applies to Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, and the following counties in Arkansas: Ashley, Bradley, Calhoun, Chicot, Clark, Cleburne, Columbia, Conway, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Faulkner, Garland, Hempstead, Hot Spring, Howard, Izard, Jackson, Jefferson, Lafayette, Lee, Lincoln, Little River, Miller, Mississippi, Monroe, Montgomery, Nevada, Ouachita, Perry, Phillips, Pike, Poinsett, Polk, Pope, Pulaski, St. Francis, Sevier, White, Woodruff, and Union

The 1938 A. A. A. Farm Program is a continuation of the agricultural conservation program of the past 2 years, with strengthening amendments and new provisions designed to make it more helpful to all farmers and to the Nation. It is based on the Agricultural Adjustment Act of 1938, which amends and continues the Soil Conservation and Domestic Allotment Act and provides for marketing quotas, reserve supplies, and crop loans.

As in the past, the 1938 program will be carried out with the aid of committees of representative farmers in each State, county, and community.

HOW THE 1938 A. A. A. FARM PROGRAM WORKS

In order to stabilize production at levels which will promote soil conservation and give farmers the best possible return, the program establishes national acreage goals for soil-depleting crops. These national acreages are divided into State and county acreage allotments, which, in turn, are apportioned among individual farms. The sum of the individual farm allotments in a county cannot exceed the county allotment. Farm acreage allotments will be determined by county and community committees in accordance with the provisions of the program.

The crops for which acreage allotments will be established in the States and counties covered by this leaflet are cotton, tobacco, wheat, and rice, and, in designated commercial-producing counties, Irish potatoes and peanuts. A total soil-depleting acreage allotment for all soil-depleting crops, including corn and other general soil-depleting crops and the crops for which individual allotments are established, will be set up for each farm.

In addition to acreage allotments for soil-depleting crops, each participating farm will have a soil-building goal, representing a definite number of units of soil-building practices to be carried out.

Payments will be made to farmers who plant within the soil-depleting acreage allotments for their farms and who reach their soil-building goals. Deductions at suitable rates will be made for overplanting individual crop acreage allotments or total soil-depleting acreage allotments, and for failure to reach soil-building goals. However, no conservation payments of any kind will be made to a farmer who participates in the production of cotton on any farm on which the cotton acreage allotment is knowingly overplanted.

ACREAGE ALLOTMENTS

A total soil-depleting acreage allotment, representing the total acreage allotments of all soil-depleting crops, will be set up for each farm. Individual soil-depleting acreage allotments will be established for cotton, tobacco, and rice; for Irish potatoes and peanuts in designated commercial counties; and for wheat on farms which normally produce 100 bushels or more of wheat for market.

Soil-depleting acreage allotments for individual crops will be established in accordance with applicable instructions on the basis of tillable acreage on the farm, type of soil, crop-rotation practices, topography, degree of erosion and customary acreages. In determining the total soil-depleting acreage allotment, special consideration will be given to acreage of food and feed crops needed for home use.

The following are designated as "Commercial Potato Counties":

Alabama: Escambia; *Georgia:* Chatham and Effingham; *South Carolina:* Beaufort, Charleston, Colleton, Hampton, Horry, Jasper, and Orangeburg; *Florida:* Counties to be announced later.

The following are designated as "Commercial Peanut Counties":

Alabama: Barbour, Coffee, Covington, Crenshaw, Dale, Geneva, Henry, Houston, and Pike; *Florida:* Holmes and Jackson; *Georgia:* Baker, Ben Hill, Brooks, Calhoun, Clay, Colquitt, Crisp, Decatur, Dooly, Dougherty, Early, Grady, Houston, Irwin, Lee, Macon, Miller, Mitchell, Pulaski, Quitman, Randolph, Schley, Seminole, Stewart, Sumter, Terrell, Thomas, Tift, Turner, Webster, Wilcox, and Worth.

SOIL-BUILDING GOAL OF A FARM

To encourage soil-building practices by helping participating farmers defray the cost, the program sets up a soil-building goal for each farm. If a farmer is to earn the full soil-building payment to which his farm is entitled he must achieve that goal. The goal is expressed as a number of units of soil-building practices suitable to be carried out on the particular farm. For instance, the seeding of 1 acre of lespedeza counts as *one* soil-building practice unit and the construction of 200 feet of terrace counts as *one* unit. The number of units in a farm's soil-building goal is two-thirds of the number of dollars in the payment calculated for that farm for: (1) The acreage of cropland on which 70 cents per acre is allowed, (2) the acreage of noncrop open pasture land, (3) the acreage of commercial vegetables, and (4) the acreage of commercial orchards.

EXAMPLE.—If the payment calculated for those items is \$60, the soil-building goal is two-thirds of 60, or 40 units; or, to express it another way, the goal is \$60 divided by \$1.50 (the payment value of each unit), or 40 units.

To achieve his goal and earn the \$60 the farmer must complete 40 soil-building-practice units.

SOIL-BUILDING PRACTICES

The soil-building practices listed below count toward the achievement of the soil-building goal when carried out in 1938 in accordance with the specifications, in a workmanlike manner, and in accordance with good farming practice for the locality.

Practices for which one-half or more of the labor, seed, trees, or materials are furnished by any State or Federal agency (other than the Agricultural Adjustment Administration) will not be counted toward meeting the soil-building goal. If less than one-half of the labor, seed, trees, or other materials used in carrying out any practice are furnished by a State or Federal agency, one-half of the practice will be counted toward the soil-building goal.

The approved soil-building practices and their value in units follow:

A. Each of the following counts as **one** soil-building-practice unit:

(1) Application of 300 pounds of 16-percent superphosphate (or its equivalent) to, or in connection with the seeding of, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, Natal grass, or permanent pasture, except that no credit will be given when applied in connection with a soil-depleting crop.

(2) Application of 500 pounds of basic slag or rock phosphate (including colloidal phosphate) to, or in connection with the seeding of, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, Natal grass, or permanent pasture, except that no credit will be given when applied in connection with a soil-depleting crop.

(3) Construction of 200 linear feet of standard terrace for which proper outlets are provided. (See county agent for specifications.)

(4) Use of 10 pounds of good seed of adapted pasture grasses, or grasses and legumes, in reseeding depleted pastures.

(5) Construction of 750 linear feet of ridge or terrace in contour ridging of noncrop open pasture land.

(6) Application of not less than 2 tons per acre, air-dry weight, of straw or equivalent mulching materials, excluding barnyard and stable manure, in commercial orchards or on commercial vegetable land.

(7) Application of 1,500 pounds of ground limestone or its equivalent.

B. Each acre of the following counts as **one** soil-building-practice unit:

(1) Seeding biennial or perennial legumes; perennial grasses (other than timothy or redtop) or mixtures containing perennial grasses, perennial legumes, or biennial legumes (except permanent-pasture mixtures qualifying under practice C (2) below.)

(2) Seeding winter legumes, annual lespedeza, annual ryegrass, crotalaria, sesbania, or annual sweet clover.

(3) Green-manure crops and cover crops (excluding lespedeza, peanuts hogged off, grain sorghums, and any crop for which credit is given under any other practice) of which a good stand and good growth are (a) plowed or disked under on land not subject to erosion, or, if the land is subject to erosion, where the crop is followed by a winter cover crop, or (b) left on the land in orchards or on commercial vegetable or Irish potato land, or on cropland in a regular cropping rotation.

C. Each acre of the following counts as **two** soil-building-practice units:

(1) Cultivating, protecting, and maintaining (by replanting if necessary) a good stand of forest trees planted between January 1, 1934, and January 1, 1938.

(2) Seeding permanent-pasture mixtures containing a full seeding of legumes or grasses or both, other than timothy and redtop.

(3) Establishment of permanent vegetative cover (permanent pasture) by planting sod pieces of perennial grasses.

(4) Green-manure crops (excluding lespedeza, peanuts hogged off, grain sorghums, and any crop for which credit is given under any other practice) of which a good stand and a good growth are plowed or disked under (applicable only on farms on which the average acreage of land on which commercial vegetables were grown in 1936 and 1937 exceeds 50 percent of the acreage of cropland in the farm in excess of the sum of the Irish potato, tobacco, cotton, and peanut acreage allotments established for the farm).

D. Each acre of the following counts as **five** soil-building-practice units:

(1) Planting forest trees (including shrubs in protective plantings), provided the trees are protected and cultivated in accordance with good tree-culture practice.

E. Each 2 acres of the following counts as **one** soil-building-practice unit:

(1) Summer legumes (excluding peanuts hogged off and summer legumes classified as soil depleting) interplanted or grown in combination with soil-depleting crops, provided a good stand and good growth are left on the land or turned under, and provided the legume occupies at least one-third of the land.

(2) Seeding timothy or redtop, or any mixture consisting solely of timothy and redtop.

F. Each 4 acres of the following counts as **one** soil-building-practice unit:

(1) Contour listing or furrowing noncrop land, furrow channels to be not less than 8 inches in width and 4 inches in depth and not less than 3 feet apart. If the furrows are 7 feet or less apart, the actual acreage of land furrowed will count under this practice. If the furrows are more than 7 feet apart, the acreage under this practice will be determined on the basis of the acreage occupied by the furrows, each furrow being considered to occupy a strip 7 feet wide.

(2) Strip cropping on the contour, on slopes of from 1 to 8 percent, alternating strips of intertilled and solid seeded crops, provided that

(a) the strips of intertilled crops are not more than 150 feet in width and are cultivated on the contour, and

(b) not less than 30 percent of the total area is devoted to solid seeded crops.

PAYMENTS

Payments on the soil-depleting crops for which acreage allotments are established will be calculated at a specified rate for the normal yield per acre of each allotment. Example: The payment rate for cotton is 2.4 cents per pound. If a farmer with a normal yield of 200 pounds of lint cotton per acre plants within his cotton acreage allotment, his cotton payment will be 2.4 cents times 200, or \$4.80 per acre. Payments on tobacco, wheat, and rice, and on Irish potatoes and peanuts in designated commercial counties, will be calculated in the same way.

If the acreage planted to cotton, wheat, Georgia-Florida Type 45 tobacco, or rice is less than 80 percent of the acreage allotment for the respective crop and the county committee finds that the failure to plant 80 percent of the allotment was not due to drought or flood, payment will be made on the normal production of $1\frac{1}{4}$ times the actual planted acreage. This means that if a farmer with a cotton acreage allotment of 100 acres actually plants only 60 acres—and the county committee finds this reduced planting was not due to flood or drought—he will be paid 2.4 cents a pound on the normal production of $1\frac{1}{4}$ times 60 acres, or on 75 acres.

The rates at which the farm payment will be calculated are shown in the following table:

Crop or item	Rate
PAYMENTS ON NORMAL PRODUCTION OF ACREAGE ALLOTMENTS EXCEPT IRISH POTATOES	
1. Cotton-----per pound--	2.4 cents.
2. Tobacco:	
Burley-----per pound--	0.5 cent.
Flue-cured-----per pound--	1.0 cent.
Georgia-Florida Type 45-----per pound--	1.0 cent.
Georgia-Florida Type 62-----per pound--	1.8 cents.
3. Wheat-----per bushel--	12.0 cents.
4. Irish potatoes (in designated commercial counties) on normal production of 1938 acreage planted within the allotment	
-----per bushel--	5.4 cents.
5. Peanuts (in designated commercial counties)---per 100 pounds--	20.0 cents.
6. Rice-----per 100 pounds--	12.5 cents.
PAYMENTS IN CONNECTION WITH SOIL-BUILDING PRACTICES	
7. Cropland on any class B farm in excess of the sum of (1) the acreages used in computing payments with respect to the wheat, Irish potato, rice, peanut, Georgia-Florida Type 45 tobacco, and Georgia-Florida Type 62 tobacco acreage allotments established for the farm; (2) 1½ times the acreages used in computing payments with respect to the cotton, flue-cured tobacco, and Burley tobacco acreage allotments established for the farm; and (3) the acreage of sugarcane for sugar planted on the farm in 1938-----per acre--	70.0 cents.
8. Average annual acreage on which commercial vegetables were grown in 1936 and 1937-----per acre--	\$1.50.
9. Commercial orchards on the farm January 1, 1938-----per acre--	\$2.00.
10. Fenced noncrop open pasture land (in excess of half the cropland) capable of maintaining during the normal pasture season at least 1 animal unit for each 5 acres-----per acre--	25 cents.

Payments for partial performance.—When the total soil-depleting acreage allotment or the soil-depleting acreage allotment for an individual crop is overplanted or the soil-building goal is not reached, deductions will be made. However, if the cotton acreage allotment is knowingly overplanted in 1938, the farm will receive no conservation payment of any kind. Deductions for overplanting acreage allotments will apply to the normal yield of each acre in excess of the allotment. Example: The deduction rate for cotton is 5 cents a pound. If a farmer inadvertently overplants his cotton acreage allotment and his normal yield is 200 pounds of lint per acre, the deduction from the farm payment will be 5 cents times 200 pounds, or \$10, for each acre overplanted.

It should be kept in mind that the payment is calculated for the farm. If the deductions for one producer exceed his payment, the deductions in excess of his payment will be taken from the payment to other producers on the same farm.

The rates of deduction on the normal production of each acre overplanted and the deduction rate for failure to achieve a farm's soil-building goal follow:

1. Cotton-----	5 cents per pound.
2. Tobacco:	
Burley-----	5 cents per pound.
Flue-cured-----	10 cents per pound.
Georgia-Florida Type 45-----	10 cents per pound.
Georgia-Florida Type 62-----	18 cents per pound.
3. Peanuts (in designated commercial counties)---	\$2 per 100 pounds.

4. Rice----- \$1 per 100 pounds.
 5. Irish potatoes (in designated commercial
 counties)----- 54 cents per bushel.
 (This rate also applies to the normal yield
 of each acre of potatoes in excess of 3 acres
 for market on farms in the designated com-
 mercial areas for which Irish potato acre-
 age allotments are not established.)

6. Commercial vegetables: In designated counties where commercial vegetables and Irish potatoes are grown generally on the same farms, a deduction will be made from the payment with respect to any farm having an Irish potato acreage allotment for each acre of commercial vegetables in excess of the average annual acreage of commercial vegetables for 1936 and 1937, the deduction to be at the same rate per acre as the deduction for overplanting an acre of Irish potatoes. The designated counties are:

Alabama: Escambia.

Georgia: Chatham and Effingham.

South Carolina: Beaufort and Charleston.

Florida: To be announced later.

7. For exceeding total soil-depleting acreage allotment: If the farm has a cotton, tobacco, peanut, Irish potato, or rice acreage allotment, but no wheat acreage allotment, the deduction for each acre in excess of the total soil-depleting acreage allotment (less the acreages for which deductions are made for overplanting cotton, tobacco, peanuts, Irish potatoes, or rice) will be \$6. If the farm has a wheat acreage allotment, the deduction for each acre in excess of the total soil-depleting acreage allotment will be based on the payment rate for wheat—the deduction per acre will be 8 times the payment rate for an acre of wheat or 96 cents per bushel of the normal yield per acre of the excess acreage.

8. For failure to carry out soil-building practices: For each unit by which the farm is short of its soil-building goal a deduction of \$1.50 will be made.

Normal yields.—For the purpose of computing the farm payments, county and community committees will use reliable records of actual yields for the applicable years to determine the normal yields for each of the soil-depleting crops for which an acreage allotment is established on a farm. If records are not available for any year of the applicable period the committee will determine from all available facts the yield that was or could reasonably have been expected on the farm for that year.

For **cotton** and **rice** the normal yields will be the average for the years 1933 to 1937, inclusive, adjusted for abnormal weather conditions; for **wheat**, the normal yield will be the average for 1928 to 1937, inclusive, adjusted for abnormal weather conditions; for **tobacco**, **peanuts**, and **Irish potatoes**, the normal yield will be the yield that may be reasonably expected from the land devoted to each of these crops in 1938, on the basis of type of soil, drainage, production facilities, and customary yields.

Small payments to be increased.—The Agricultural Adjustment Act of 1938 provides for a graduated scale of increases in small payments: Payments of 71 cents or less will be increased to \$1; payments from 72 cents up to \$20 will be increased 40 percent; payments more than \$20, but not more than \$40, will be increased \$8, plus 20 percent of the amount of the payment over \$20; payments of more than \$40, but not more than \$60, will be increased \$12, plus 10 percent of the amount over \$40; payments more than \$60, but not more than \$186 will be increased by \$14; and payments over \$186, but less than \$200 will be increased to \$200.

Division of payments.—Under the Agricultural Adjustment Act, payments for planting within acreage allotments for soil-depleting crops will be divided among owners and tenants or sharecroppers on the land in the same proportion as that in which these persons are entitled to share in the proceeds of the crops. The law also provides that payments for carrying out soil-building practices will be divided in proportion to the number of units of soil-building practices carried out by the owner and by each tenant or sharecropper.

SOIL-DEPLETING CROPS

Land planted to the following crops for harvest in 1938 are classified as soil depleting:

- (1) Corn, grain sorghums, cotton, tobacco, sugarcane, rice, peanuts harvested for nuts or hay, broomcorn, cultivated sunflowers, truck and vegetable crops (including strawberries, melons, and sweetpotatoes), Irish potatoes, canning peas, and bulbs and flowers.
- (2) Land planted to wheat harvested for grain or hay in 1938 or any other land planted to wheat between August 1, 1937, and July 31, 1938; except when (a) used as a nurse or cover crop and not harvested for grain or hay, or (b) a good stand and growth are used as a green-manure crop.
- (3) Land planted between August 1, 1937, and July 31, 1938, to oats, barley, rye, flax, or mixtures of these crops; except (a) when a good stand and a good growth are used as a green-manure crop, or (b) when used as a nurse crop or cover crop and not harvested for grain or hay.
- (4) Land planted in 1938 to Sudan grass, sweet sorghum, buckwheat, or millet and harvested for grain, seed, syrup, or silage.
- (5) Land planted in 1938 to soybeans harvested for seed for crushing.

MARKETING QUOTAS AND CROP LOANS

To supplement the conservation program and help prevent the marketing of available supplies in a disorderly manner which would injure farmers and the public generally, the Agricultural Adjustment Act of 1938 provides for marketing quotas on cotton, tobacco, rice, wheat, and corn (quotas on rice and wheat are not authorized in 1938 and corn quotas are not applicable in the Southern Region). Marketing quotas for the 1938 cotton, flue-cured tobacco, and dark tobacco crops were approved by the producers affected in a referendum on March 12 and will be in effect this year. The marketing quota for cotton will be the cotton produced on the acreage allotment for cotton made under the conservation phase of the program. The marketing quota on tobacco is in terms of pounds.

The statute provides for loans on farm products, *but* the loans will *not* be applicable to cotton, wheat, rice, or corn in marketing years when marketing quotas for these crops have been rejected by the producers. In years when marketing quotas are in effect, the loan rates for cotton and wheat are to be fixed between 52 and 75 percent of the parity price in each case. In the case of corn the loan rates are to be fixed between 52 and 75 percent of the parity price of corn in the commercial corn areas; to cooperators in the States and counties covered by this leaflet the rates will be 75 percent of the rates applicable in the commercial corn areas. Loans on other crops will be available under conditions and at rates to be fixed by the Secretary of Agriculture, with the approval of the Commodity Credit Corporation and the President.

MISCELLANEOUS

Filing information and application for payment.—To receive payment, a farmer must present to the county committee the information it may need, submit proof of performance, and make application on specified forms within time limits set by the regional director on the recommendation of the State committee.

Changes in leasing and cropping agreements or number of tenants.—The law provides that if changes are made in the leasing and cropping arrangements between landlord and tenants or sharecroppers that would give the landlord a larger part of the farm payment than he would have received under the arrangements that were in effect in 1937 the payment to the landlord will not be greater than he would have received if the 1937 arrangements had continued in effect. The law also provides that if the number of sharecroppers or share tenants in 1938 is less than the average number on the farm during the preceding 3 years and the reduction would increase the landlord's payment, the payment to the landlord will not be greater than the amount he would otherwise receive. The above limitations apply only if the county committee finds that the change or reduction is not justified.

Assignments.—Farmers may assign their interest in payments they may earn in the program as security for cash loaned or advances made for financing their 1938 crops. The assignments must be made on forms officially prescribed.

Application for more than one farm.—If a person is entitled to all or part of the crops on more than one farm in a county and makes application for payment on one farm, he must file application for payment on all the farms operated by him or rented to another on shares in that county, and on request of the State committee he must submit information for all such farms in the State from which he is entitled to receive all or part of the crops.

Appeals.—Provision is made for appeals from the decisions of the county committee to the State committee. The regional director may review decisions of the State committee.

Where to get other information.—All producers may obtain from the county office copies of the bulletins and complete information concerning marketing quotas, payments, appeals, specifications for the soil-building practices, and other details.